

# INSTITUTIONALIZING INTEGRATED PRODUCT TEAMS

## *DoD's Commitment to Change*

Joe Ferrara • Collie Johnson

On July 20, 1995, Dr. Paul G. Kaminski, Under Secretary of Defense (Acquisition and Technology), hosted a conference on "Institutionalizing Integrated Product Teams: DoD's Commitment to Change." Over 400 participants attended the conference, including Dr. Kaminski's principal staff assistants; members of the Defense Acquisition Board; Component Acquisition Executives; Program Executive Officers; and Program Managers.

### Introduction

Colleen Preston, Deputy Under Secretary of Defense (Acquisition Reform), served as conference Master of Ceremonies, and began the conference by introducing the keynote speaker, Dr. Paul G. Kaminski. In his keynote address, Dr. Kaminski outlined the purpose of the conference — to communicate his expectations and share ideas on how to implement the Integrated Product Team (IPT) approach to oversight and review of acquisition programs. Speaking of the challenge set before the professional acquisition workforce, Dr. Kaminski commented:

It is a great pleasure to be with you today. Perhaps it is fitting that we meet on this date — July 20th. On

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this day in 1969, America first landed men on the moon — Neil Armstrong took 'one small step', and mankind took 'one giant leap'. Today, I look forward to seeing us take 'one not so small step' toward what I hope will become 'one giant leap' forward in military acquisition affairs.

"The 'giant leap' we are seeking," he continued, "is a change in our defense acquisition culture. It is easier said than done. When it comes to cultural change — and what's at stake is meaningful acquisition reform — it's been my sense that...

- it is easy to talk about why;
- harder to talk about how; and
- even harder to *do*.

We're done talking about why — today we're going to share our ideas on how to implement an integrated product team approach to oversight and review of acquisition programs."

### IPT Objectives

A key component of successful implementation of the IPT concept, Dr. Kaminski believes, is development of specific objectives developed and supported by Office of the Secretary of Defense's (OSD) senior leadership:

- Creation of an acquisition system that capitalizes on the strengths of all participants in the acquisition process to develop programs with the highest opportunity for success.

- Fostering the early and active participation of OSD and Component staff organizations with program office teams to develop a sound and executable acquisition strategy, and identify/resolve issues as they arise, not during the final decision meeting.
- Transforming historically adversarial relationships, especially between headquarters staff organizations and program office teams, into productive partnerships.
- Placing renewed emphasis on the importance of working as a cross-functional team to maximize overall performance.

Dr. Kaminski emphasized that program teams are responsible for delivering a product — to field systems for the warfighter. Toward that end, teams should include representatives from all the appropriate 'oversight' functional disciplines, engage in full and open discussions with no secrets, and be empowered to speak for their superiors in the decision-making process.

The bottom line, according to Dr. Kaminski, is that we must shift our process from one of oversight to 'early insight'. We must make sure OSD and Component staff expertise is made available to the program manager early on so that we prevent problems or resolve them quickly, rather than identify them in a 'gotcha' fashion at the Defense Acquisition Board review.

Stakeholder behavior, according to Dr. Kaminski, is also key to the pro-

cess. When concerns are raised in a constructive way, they must be accompanied with workable suggestions and practical solutions.

Another concept Dr. Kaminski endorsed was that of 'tailoring'. Referring to the abundant flexibility in the 5000-series directives, he stated that the issue is to incentivize change away from a 'one-size-fits-all' classical mold. "We must tailor not only the acquisition strategy, but the acquisition approval process, to fit the specific circumstances of individual programs."

### **The Program Manager's Bill of Rights and Responsibilities**

Dr. Kaminski emphasized the Department's top leadership responsibility to create a climate for reasoned risk-taking by acquisition workforce program executive officers and program managers. Before the conference began, Dr. Kaminski met with the acquisition executives, program executive officers, and the ACAT 1-D program managers and had the honor and privilege of presenting each program manager with their 'Program Manager's Bill of Rights' certificate.

### **Need for Cultural Change**

Dr. Kaminski believes that we [Department of Defense] will need to transform the risk-averse culture that has grown up within the Department over the years. "We need the 'buy in' of all major stakeholders," he stated, "and without this cultural change, we will not develop the trust or teamwork that it takes to implement the IPT concept." He went on to say that to be fully effective, IPTs will need to rely on different individual and organizational behaviors, shifting from an environment of regulation and enforcement to one of incentivized performance. However, Dr. Kaminski cautioned that as we implement IPTs, we must ensure that we maintain a disciplined acquisition oversight and review process.

Dr. Kaminski concluded his keynote address by summarizing his

*I direct an **immediate and fundamental change** in the role of the OSD and Component staff organizations currently performing oversight and review of acquisition programs. In the future these staff organizations shall participate as members of **integrated product team or teams**, which are committed to program success. **Rather than checking** the work of the program office beginning 6 months prior to a milestone decision point, as is often the case today, the OSD and Component staffs shall **participate early and on an on-going basis** with the program office teams, resolving **issues as they arise**, rather than during the final decision review..."*



—Hon. Paul G. Kaminski

'Reengineering the Acquisition Oversight and Review Process'

April 28, 1995

### **DR. KAMINSKI ON THE IPT CONCEPT...**

"We've convened this offsite to develop a common understanding within the Department on how we will implement the IPT concept."

"...being part of an IPT does not compromise a functional member's independent assessment role. I will continue to hold team members accountable for ensuring each program has a workable approach — we are not getting rid of the independent assessment function."

"The two most important characteristics of IPTs are empowerment and cooperation — trust and teamwork by another name."

"As we institutionalize IPTs, we should remember that we're implementing a process to secure early insight — not event-driven oversight."

### **DR. KAMINSKI ON THE PROGRAM MANAGER'S BILL OF RIGHTS AND RESPONSIBILITIES...**

"...explicitly lays out what program managers can expect from their acquisition chain of command as well as what we expect from them."

"Actions speak louder than words — each program manager can expect that my actions will track the words in this bill of rights."

"I believe it's important to put this in writing — not so much for the benefit of the individual program manager — but for the benefit of the functional staffs and other oversight agencies."



**HON. R. NOEL LONGUEMARE**  
**PRINCIPAL DEPUTY UNDER SECRETARY OF**  
**DEFENSE (ACQUISITION & TECHNOLOGY)**

**Responds to Questions on OSD's**  
**Transition to the IPT Concept**

**Why IPTs?**

To improve program success rates, do the right things on time, and do them right the first time. Also, to move away from hierarchy, improve efficiency, and take advantage of *all* knowledge.

**How will the process be different?**

Under the old process, the program manager and OSD staff were at

arm's length until time for the Defense Acquisition Board. Also, issues surfaced after the fact, mistrust developed, and program success suffered. Under the new IPT process, teamwork and cooperation are present from the start. The new IPT process is a quality process to build an executable strategy and identify and resolve issues early.

**How are we going to use IPTs?**

Overarching IPT: This IPT will be conducted at the program executive officer/designated staff principal level.

Working-Level IPT: These IPTs are structured by the OIPT as needed to support the PM or PEO in the development of strategies and plans, including cost estimates, test plans, contracting strategies, etc.

**What value do IPTs add?**

IPTs increase the likelihood of program success while reducing crises and gotchas...

**What are some key priorities of the IPT Concept?**

Toward that end, our priorities are to control cost by considering it an independent variable, require the minimum necessary documentation, streamline the decision process, and reduce infrastructure.

**How do we make IPTs happen?**

Four actions make IPTs happen: (1) Decide — 28 Apr 95 USD(A&T) Memo and 10 May 95 SECDEF Memo; (2) Promulgate — updated DoD 5000 will incorporate new philosophy; (3) Train — Defense Acquisition University curriculum; and (4) Communicate — offsites. But most importantly, we need *you* to implement IPTs.

**What about DoD 5000?**

We're going to update DoD 5000 to reflect new philosophy. Also, we are implementing the new Automated Deskbook, designed for the exchange of good ideas, tools, reference material, and points of contact.

**Now What?**

This is a *Win-Win* approach. You have *our* commitment. We need *your* support.

thoughts on current DoD IPT initiatives:

- We need *Continuous Insight*, not *Oversight* — quality has to be built into programs from the start.
- We must emphasize *Prevention* over *Cures* — Let's identify and resolve problems early and constructively...the goal is *no major issues to resolve at the Defense Acquisition Board*, no 'Gotchas'.
- We must focus on *Program Success*, not *Functional Area Performance*... our job is to provide more for the warfighter...systems that work, faster and cheaper.

**OSD Transition to**  
**IPT Concept**

Following Dr. Kaminski's presentation, Hon. R. Noel Longuemare, Principal Deputy Under Secretary of Defense (Acquisition and Technology), discussed OSD's transition to the IPT concept. Secretary Longuemare's presentation focused on answering several key questions concerning the IPT Concept, including the reason the Department is using IPTs and how IPTs will be implemented in OSD.

**Other Presentations**

Secretary Longuemare's presentation was followed by Dr. George Schneider, Director, Strategic and Tactical Systems, OUSD(A&T); and Mr. Anthony Valletta, Deputy Assistant Secretary of Defense, C<sup>3</sup>I Acquisition, who spoke on 'Overarching IPTs — Implementation/Initial Experiences'. They were followed by the Service Acquisition Executives and selected ACAT I-D program managers, who spoke on 'Service Implementation of IPTs'. Key points from their presentations included:

- IPT and OIPT membership;
- an accelerated decision process;
- necessary program documentation; and
- initial experiences of selected programs.

The next speaker, Adm. William A. Owens, USN, Vice Chairman, Joint



Photo by Richard Mattox

Deputy Secretary of Defense John P. White wraps up the 20 July 1995 DoD Offsite: "As you leave today's offsite, I want you to think about one word and one word only — teamwork."

Chiefs of Staff, discussed the Joint Staff's role in the IPT process. Adm. Owens stressed the need for a joint perspective in establishing systems requirements. Following his presentation, the conferees recessed for a luncheon address by Mr. Derek Vander Schaaf, Department of Defense Deputy Inspector General, on 'Inspector/Auditor Support to IPTs'.

Information System Review Council (MAISRC) Process'. Mr. Paige endorsed IPTs as an excellent way of ensuring flexible, value-added oversight. Finally, Mr. Paige discussed the ongoing integration of the Automated Information System life-cycle management regulations with the DoD 5000-series directives.

Mr. Vander Schaaf stated that the Inspector General had been in the forefront of acquisition reform and would do their best to support IPT implementation.

After lunch, the conferees reassembled for an address by Hon. Emmett Paige, Jr., ASD (C<sup>3</sup>I), who discussed 'IPTs in the Major Automated

Secretary Preston, Master of Ceremonies, then led a panel discussion on the role of Overarching IPT members and their staffs. After the panel discussion, there was an extended Question and Answer session, with the panelists accepting questions from the conference attendees.

Dr. John P. White, Deputy Secretary of Defense, concluded the offsite with a brief wrap-up. Secretary White stressed that the acquisition system *must* be focused on meeting the warfighters' needs. The IPT concept, according to Secretary White, is exactly the type of management process the Department needs to thrive in a fluid security environment and constrained fiscal environment. He congratulated the conference attendees for addressing the important topic of IPTs, and concluded with one final comment: "As you leave today's offsite, I want you to think about one word and one word only — *teamwork*."

## The Program Manager's Bill of Rights and Responsibilities

### Program Managers have the **RIGHT** to:

- A single, clear line of authority from the Defense Acquisition Executive.
- Authority commensurate with their responsibilities.
- Timely decisions by senior leadership.
- Be candid and forthcoming without fear of personal consequences.
- Speak for their program and have their judgments respected.
- The best available training and experience for the job.
- Adequate financial and personnel resources.

To signify our support for the Program Manager and our commitment to the Program Manager's Bill of Rights and Responsibilities, we affix our signatures below.

\_\_\_\_\_  
Program Executive Officer

\_\_\_\_\_  
Acquisition Executive

\_\_\_\_\_  
Defense Acquisition Executive

### Program Managers have the **RESPONSIBILITY** to:

- Accept program direction from acquisition executives and implement it expeditiously and conscientiously.
- Manage their programs to the best of their abilities within approved resources.
- Be customer focused and provide the user with the best, most cost-effective system or capability.
- Innovate, strive for optimal solutions, seek better ways to manage, and provide lessons learned to those who follow.
- Be candid about program status, including risks and problems as well as potential solutions and likely outcomes.
- Prepare thorough estimates of financial and personnel resources that will be required to manage the program.
- Identify weaknesses in the acquisition process and propose solutions.

As the Program Manager, I have full program responsibility and accountability. I pledge to do everything in my power to warrant the rights granted to me and to fulfill these responsibilities.

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Program Manager

